

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<hr/>	)	
<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>W.R. GRACE &amp; CO., <u>et al.</u></b>	)	<b>Case No. 01-1139 (JKF)</b>
	)	<b>Jointly Administered</b>
	)	
<b>Debtor.</b>	)	<b>Objection Date: January 4, 2005 at 4:00 p.m.</b>
<hr/>	)	<b>Hearing: Scheduled if Necessary (Negative Notice)</b>

**NOTICE OF FILING OF  
FIFTH MONTHLY INTERIM APPLICATION OF  
CIBC WORLD MARKETS CORP., FINANCIAL ADVISOR TO  
DAVID T. AUSTERN, FUTURE CLAIMANTS' REPRESENTATIVE**

TO: (1) The Debtors; (2) Counsel to the Debtors; (3) The Office of the United States Trustee; (4) Counsel to the Official Committee of Asbestos Personal Injury Claimant; (5) Counsel to the Official Committee of Asbestos Property Damage Claimants; (6) Counsel to the Official Committee of Equity Holders; and (7) Counsel to the Debtors-in-Possession Lender; and (8) the Fee Auditor

CIBC World Markets Corp., financial advisor to David T. Austern, in his capacity as the Court-appointed legal representative for future asbestos claimants (the "FCR"), has filed and served its Fifth Monthly Application of CIBC World Markets Corp. for Compensation for Services Rendered and Reimbursement of Expenses as financial advisor to the FCR for the time period October 1, 2004 through October 31, 2004 seeking payment of fees in the amount of \$120,000.00 (80% of \$150,000.00) and reimbursement of expenses in the amount of \$1,150.64 (the "Application") for a total of \$121,150.64.

This Application is submitted pursuant to this Court's Administrative Order, as Amended, Under 11 U.S.C. Sections 105(a) and 331 Establishing Revised Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members dated April 17, 2002 (the "Administrative Order").

Objections or responses to the Application, if any, must be made in writing and filed with the United States Bankruptcy Court for the District of Delaware, Marine Midland Plaza, 824 Market Street, Fifth Floor, Wilmington, DE 19801, on or before **January 4, 2005 at 4:00 p.m., Eastern Time.**

At the same time you must also serve a copy of the objections or responses, if any, upon the following: (i) co-counsel to David T. Austern, FCR, Roger Frankel, Esquire, Richard H. Wyron, Esquire, Swidler Berlin Shereff Friedman, LLP, 3000 K Street, NW, Suite 300, Washington, DC 20007; (ii) co-counsel for the Debtors, David M. Bernick, Esquire, Kirkland & Ellis LLP, 200 East Randolph Drive, Chicago, IL 60601 and Laura Davis Jones, Esquire, Pachulski, Stang, Ziehl, Young & Jones, P.C., 919 North Market Street, Suite 1600, P.O. Box 8705, Wilmington, DE 19899-8705; (iii) co-counsel to the Official Committee of Unsecured Creditors, Lewis Kruger, Esquire, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, NY 10038-4982 and Michael R. Lastowski, Esquire, Duane Morris, LLP, 1100 N. Market Street, Suite 1200, Wilmington, DE 19801-1246; (iv) co-counsel to the Official Committee of Asbestos Property Damage Claimants, Scott L. Baena, Esquire, Blizin, Sumberg, Dunn, Baena, Price & Axelrod, First Union Financial Center, 200 South Biscayne Boulevard, Suite 2500, Miami, FL 33131 and Michael B. Joseph, Esquire, Ferry & Joseph, P.A., 824 Market Street, Suite 904, P.O. Box 1351, Wilmington, DE 19899; (v) co-counsel to the Official Committee of Asbestos Personal Injury Claimants, Elihu Inselbuch, Esquire, Caplin & Drysdale, 399 Park Avenue, 36<sup>th</sup> Floor, New York, NY 10022 and Mark Hurford, Esquire, Campbell & Levine, LLC, Chase Manhattan Centre, 15<sup>th</sup> Floor, 1201 Market Street, Suite 1500, Wilmington, DE 19801; (vi) co-counsel to the DIP Lender, J. Douglas Bacon, Esquire, Latham & Watkins, Sears Tower, Suite 5800, Chicago, IL 60606 and Steven M. Yoder, Esquire, The Bayard Firm, 222 Delaware Avenue, Suite 900, P.O. Box 25130, Wilmington, DE 19899; (vii) counsel to the

Official Committee of Equity Holders, Thomas Moers Mayer, Esquire, Kramer Levin Naftalis & Frankel LLP, 919 Third Avenue, New York, NY 10022; (viii) the Office of the United States Trustee, ATTN: Frank J. Perch, Esquire, 844 N. King Street, Wilmington, DE 19801; and (ix) the Fee Auditor, Warren H. Smith, Warren H. Smith and Associates Republic Center, 325 N. St. Paul, Suite 4080, Dallas, TX 75201.

Any questions regarding this Notice or attachments may be directed to undersigned counsel.

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

By: 

Roger Frankel, *pro hac vice admission pending*  
Richard H. Wyron, *pro hac vice admission pending*  
3000 K Street, NW, Suite 300  
Washington, DC 20007  
(202) 424-7500  
Counsel to David T. Austern,  
As Future Claimants' Representative

Dated: December 14, 2004

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<hr/>	)	
<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>W.R. GRACE &amp; CO., <u>et al.</u></b>	)	<b>Case No. 01-1139 (JKF)</b>
	)	<b>Jointly Administered</b>
	)	
<b>Debtor.</b>	)	<b>Objection Date: January 4, 2005 at 4:00 p.m.</b>
<hr/>	)	<b>Hearing: Scheduled if Necessary (Negative Notice)</b>

**FIFTH MONTHLY INTERIM APPLICATION OF  
CIBC WORLD MARKETS CORP., FINANCIAL ADVISOR  
TO DAVID T. AUSTERN, FUTURE CLAIMANTS' REPRESENTATIVE, FOR  
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
OCTOBER 1, 2004 THROUGH OCTOBER 31, 2004**

Name of Applicant:	CIBC World Markets Corp.
Authorized to Provide Professional Services to:	David T. Austern, Future Claimants' Representative
Date of Retention:	June 4, 2004
Period for which compensation and reimbursement is sought:	October 1, 2004 – October 31, 2004
80% of Compensation sought as actual, reasonable and necessary:	\$120,000.00 <sup>1</sup>
100% of Expense Reimbursement sought as actual, reasonable and necessary:	\$1,150.64
This is a <u>  x  </u> monthly <u>  </u> interim <u>  </u> final application	

<sup>1</sup> Pursuant to administrative Order, absent timely objections, the Debtor is authorized and directed to pay 80% of fees and 100% expenses.  
CIBC's total fee for this period is \$150,000.00.

**COMPENSATION BY PROJECT CATEGORY (Exhibit A, Time Detail)**

**OCTOBER 2004**

<b><u>Project Category</u></b>	<b><u>Total Hours</u></b>	<b><u>Total Fees<sup>2</sup></u></b>
Business Results Related	246.6	NA
Business Operations Related	3.8	NA
Case Filings Related	11.0	NA
Financial Analysis Related	24.8	NA
Case Filings Related	42.5	NA
<b>TOTAL</b>	<b>328.7</b>	<b>NA</b>

**EXPENSE SUMMARY (Exhibit B, Expense Detail)**

**OCTOBER 2004**

<b><u>Expense Category</u></b>	<b><u>Total</u></b>
Transportation	\$135.41
Telephone	97.88
Meals	5.35
Research	912.00
<b>TOTAL</b>	<b>\$1,150.64</b>

Respectfully submitted,

CIBC WORLD MARKETS CORP.

By: 

Joseph J. Radecki, Jr.  
425 Lexington Avenue  
New York, New York 10017  
(212) 885-4744  
Financial Advisor to David T. Austern  
Future Claimants' Representative

Dated: December \_\_, 2004

<sup>2</sup> CIBC does not bill on an hourly basis; therefore, a calculation of total fees by hour, by category is not applicable.

## EXHIBIT A

Joseph Radecki	10/4/04	4.0	Business Operations	Review & Preparation of Report to FCR
Joseph Radecki	10/5/04	2.8	Business Operations	Review & Preparation of Report to FCR
Joseph Radecki	10/6/04	3.0	Business Operations	Review & Preparation of Report to FCR; internal meetings re: same
Joseph Radecki	10/7/04	5.8	Business Operations	Review & Preparation of Report to FCR
Joseph Radecki	10/8/04	2.5	Business Operations	Review & Preparation of Report to FCR
Joseph Radecki	10/11/04	2.0	Business Operations	Review & Preparation of Report to FCR; internal meetings re: same
Joseph Radecki	10/12/04	3.3	Business Operations	Review & Preparation of Report to FCR
Joseph Radecki	10/14/04	3.0	Business Operations	Review & Preparation of Report to FCR
Joseph Radecki	10/14/04	1.0	Business Operations	Review & Preparation of Report to FCR
Joseph Radecki	10/19/04	4.0	Business Operations	Review & Preparation of Report to FCR
Joseph Radecki	10/25/04	2.3	Settlement Analysis	Review of valuation work and settlement topics; discussions with CIBC team/Blackstone/Tersigni Consulting re: same
Joseph Radecki	10/26/04	3.5	Settlement Analysis	Review of valuation work and settlement topics; discussions with CIBC team/Blackstone/Tersigni Consulting re: same
Joseph Radecki	10/27/04	1.0	Business Results	Review of Q3 Results Press Release
Joseph Radecki	10/27/04	2.8	Settlement Analysis	Review of Proposed Resolution and Valuation; discussions with CIBC team/Blackstone/Tersigni Consulting re: same
Joseph Radecki	10/28/04	5.0	Settlement Analysis	Review of Proposed Resolution and Valuation; discussions with CIBC team/Blackstone/Tersigni Consulting re: same
Joseph Radecki	10/29/04	2.3	Financial Analysis	Review of comparable financial analysis
Jonathan Brownstein	10/4/04	4.3	Business Operations	Preparation of Report to FCR
Jonathan Brownstein	10/5/04	3.3	Business Operations	Preparation of Report to FCR
Jonathan Brownstein	10/6/04	6.0	Business Operations	Preparation of Report to FCR; internal meetings to review
Jonathan Brownstein	10/7/04	9.8	Business Operations	Preparation of Report to FCR
Jonathan Brownstein	10/8/04	5.3	Business Operations	Preparation of Report to FCR
Jonathan Brownstein	10/11/04	2.0	Business Operations	Preparation of Report to FCR; internal meetings to review
Jonathan Brownstein	10/12/04	3.3	Business Operations	Preparation of Report to FCR
Jonathan Brownstein	10/19/04	4.0	Business Operations	Preparation of Report to FCR
Jonathan Brownstein	10/25/04	1.0	Case Filings	Review of Recent Docket Filings/Motions
Jonathan Brownstein	10/25/04	1.3	Settlement Analysis	Review of Proposed Resolution and Valuation; internal meetings to review and discuss general case issues; Discussions with Tersigni/Blackstone
Jonathan Brownstein	10/27/04	1.0	Business Results	Review of Q3 Results Press Release
Jonathan Brownstein	10/27/04	2.0	Settlement Analysis	Review of Proposed Resolution and Valuation; internal meetings to review and discuss general case issues; Discussions with Tersigni/Blackstone
Jonathan Brownstein	10/28/04	7.0	Settlement Analysis	Review of Proposed Resolution and Valuation; internal meetings to review and discuss general case issues; Discussions with Tersigni/Blackstone
Ritwik Chatterjee	10/4/04	6.0	Business Operations	Preparation of Report to FCR
Ritwik Chatterjee	10/5/04	7.5	Business Operations	Preparation of Report to FCR
Ritwik Chatterjee	10/6/04	7.5	Business Operations	CIBC team meetings; Preparation of Report to FCR
Ritwik Chatterjee	10/7/04	11.0	Business Operations	Preparation of Report to FCR
Ritwik Chatterjee	10/8/04	8.0	Business Operations	Preparation of Report to FCR
Ritwik Chatterjee	10/9/04	3.8	Business Operations	Preparation of Report to FCR
Ritwik Chatterjee	10/11/04	6.0	Business Operations	CIBC team meetings; Preparation of Report to FCR
Ritwik Chatterjee	10/12/04	5.6	Business Operations	Preparation of Report to FCR
Ritwik Chatterjee	10/13/04	9.3	Business Operations	Preparation of Report to FCR
Ritwik Chatterjee	10/14/04	8.0	Business Operations	Preparation of Report to FCR
Ritwik Chatterjee	10/15/04	6.8	Business Operations	Preparation of Report to FCR; internal discussions re: same
Ritwik Chatterjee	10/17/04	6.3	Business Operations	Preparation of Report to FCR
Ritwik Chatterjee	10/18/04	7.3	Business Operations	Preparation of Report to FCR
Ritwik Chatterjee	10/25/04	4.0	Case Filings	Review of Recent Docket Filings/Motions; review warrant issues
Ritwik Chatterjee	10/25/04	2.3	Settlement Analysis	Review of Proposed Deal Resolution; Internal meetings re: same; Talks with Blackstone and Tersigni Group
Ritwik Chatterjee	10/26/04	2.0	Case Filings	Review of Recent Docket Filings/Motions
Ritwik Chatterjee	10/27/04	1.0	Case Filings	Review of Recent Docket Filings/Motions
Ritwik Chatterjee	10/27/04	2.5	Settlement Analysis	Review of Proposed Resolution and Valuation; internal meetings re: same; Talks with Blackstone and Tersigni Group
Ritwik Chatterjee	10/28/04	1.8	Business Results	CIBC team meetings; Review of quarterly financial press release from Company
Ritwik Chatterjee	10/28/04	4.8	Settlement Analysis	Review of Proposed Resolution and Valuation; Internal meetings re: same; Talks with Blackstone and Tersigni Group
Ritwik Chatterjee	10/29/04	5.0	Settlement Analysis	Review of Proposed Resolution and Valuation
Joanna Wa	10/1/04	1.5	Business Operations	Review industry reports
Joanna Wa	10/4/04	8.5	Business Operations	Preparation of Report to FCR
Joanna Wa	10/5/04	8.0	Business Operations	Preparation of Report to FCR
Joanna Wa	10/6/04	0.8	Business Operations	Meetings and discussions with CIBC deal team
Joanna Wa	10/7/04	3.0	Financial Analysis	Review of historical Financial Statements for valuation update
Joanna Wa	10/8/04	2.3	Financial Analysis	Review of historical Financial Statements for valuation update
Joanna Wa	10/11/04	7.3	Business Operations	Discussions with CIBC deal team; Preparation of Report to FCR
Joanna Wa	10/12/04	2.0	Financial Analysis	Review of Operating Results from Management
Joanna Wa	10/13/04	9.0	Business Operations	Preparation of Report to FCR
Joanna Wa	10/14/04	7.8	Business Operations	Preparation of Report to FCR
Joanna Wa	10/15/04	11.0	Business Operations	Preparation of Report to FCR
Joanna Wa	10/18/04	8.0	Business Operations	Preparation of Report to FCR
Joanna Wa	10/19/04	9.8	Business Operations	Preparation of Report to FCR
Joanna Wa	10/20/04	6.0	Business Operations	Preparation of Report to FCR
Joanna Wa	10/21/04	7.3	Business Operations	Preparation of Report to FCR
Joanna Wa	10/25/04	3.3	Financial Analysis	Update LTM financial results; Internal meetings and discussions
Joanna Wa	10/26/04	3.0	Case Filings	Review of documents filed with Court
Joanna Wa	10/27/04	5.8	Financial Analysis	Review financial information released; compare with peer results
Joanna Wa	10/28/04	6.3	Financial Analysis	Review financial information released; compare with peer results; discussions re: same internal team
Joanna Wa	10/30/04	4.3	Settlement analysis	Valuation work; review settlement proposal

**EXHIBIT B****W.R. Grace & Co.****CIBC Expense Detail Report (October 1, 2004 – October 31, 2004)****(with date expense was posted)****Transportation**

Joe Radecki (car rental)	10/12/04 *	61.31
Joe Radecki (taxi)	10/12/04 *	9.60
Joe Radecki (train)	10/12/04 *	58.50
Joe Radecki (parking)	10/12/04 **	<u>6.00</u>
<b>Subtotal Transportation:</b>		<b>\$ 135.41</b>

**Telephone**

Joe Radecki	10/12/04	<u>97.88</u>
<b>Subtotal Telephone:</b>		<b>\$ 97.88</b>

**Meals**

Joanna Wa	10/22/04	<u>5.35</u>
<b>Subtotal Meals:</b>		<b>\$ 5.35</b>

**Research**

Headway Corporate Services	10/19/04	<u>912.00</u>
<b>Subtotal Research:</b>		<b>\$ 912.00</b>

<b>TOTAL EXPENSES:</b>	<b><u>\$1,150.64</u></b>
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**\*\* For travel on September 2, 2004****\* For travel on September 27, 2004**

**THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>W.R. GRACE &amp; CO., <u>et al.</u>,</b>	)	<b>Case No. 01-01139 (JKF)</b>
	)	
	)	<b>(Jointly Administered)</b>
<b>Debtors.</b>	)	

**AFFIDAVIT**


STATE OF NEW YORK     )  
  ) ss.:  
COUNTY OF NEW YORK    )

Joseph J. Radecki Jr. being duly sworn, deposes and says:

1. I am a managing director of CIBC World Markets Corp. ("CIBC"), Financial Advisor to David T. Austern, the Future Claimants' Representative in the above captioned case.
2. No agreement or understanding in any form or guise exists between CIBC and any other person for a division of compensation for services rendered in or in connection with this proceeding, and that no such division of compensation prohibited by §504 of the Bankruptcy Code will be made by CIBC, except with employees of CIBC.
3. I hereby state, in accordance with §504 of the Bankruptcy Code, that CIBC has not entered into any agreement, express or implied, with any other party in interest, including the Debtors herein, any creditor or the representative of any of them, or with any attorney for such party in interest in the proceeding, for the purpose of fixing the amount of any of the fees or other compensation to be allowed out of or paid from the assets of the estate to any party in interest in the within proceeding for services rendered in connection herewith.



4. I have reviewed the Fifth Monthly Interim Application of CIBC World Markets Corp. for the time period October 1, 2004 through October 31, 2004 and state that the information set forth therein is true and correct to the best of my knowledge, information and belief.

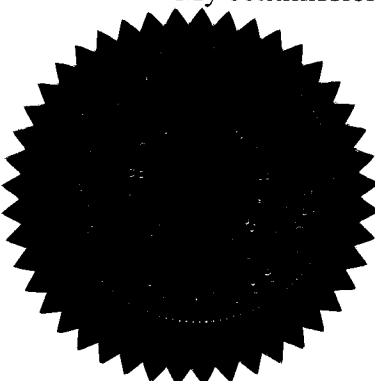
  
\_\_\_\_\_  
Joseph J. Radecki, Jr.

Sworn to and subscribed before me  
this 9<sup>th</sup> day of December, 2004

  
\_\_\_\_\_  
Matthew L. Brod

My commission expires:

IVEL...  
Notary Public for the State of New York  
Qualified to perform notary duties until 12/31/05



**CERTIFICATE OF SERVICE**

I, DEBRA O. FULLEM, do hereby certify that I am over the age of 18, and that on December 15, 2004, I caused the *Notice, Fifth Monthly Interim Application of CIBC World Markets Corp., Financial Advisor to David T. Austern, Future Claimants' Representative, for Compensation for Services Rendered and Reimbursement of Expenses for the time period October 1, 2004 through October 31, 2004, Affidavit, Exhibit A, and Exhibit B*, to be served upon those persons as shown on the attached Service List in the manner set forth therein.

Under penalty of perjury, I certify the foregoing to be true and correct.

A handwritten signature in black ink, appearing to read "Debra O. Fullem", is written over a horizontal line.

Debra O. Fullem, Senior Legal Assistant  
Swidler Berlin Shereff Friedman, LLP

**SERVICE LIST**

***Federal Express***

Laura Davis Jones, Esquire  
David W. Carickhoff, Jr., Esquire  
Pachulski, Stang, Ziehl, Young & Jones P.C.  
919 North Market Street, 16th Floor  
P.O. Box 8705  
Wilmington, DE 19899-8705

***Regular Mail***

Vito I. DiMaio  
Parcels, Inc.  
10th & King Streets  
P.O. Box 27  
Wilmington, DE 19899

***Federal Express***

Frank J. Perch, Esquire  
Office of the United States Trustee  
844 King Street, Room 2311  
Wilmington, DE 19801

***Federal Express and Email: [feeaudit@whsmithlaw.com](mailto:feeaudit@whsmithlaw.com)***

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Warren H. Smith & Associates  
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325 N. St. Paul  
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Campbell & Levine, LLC

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(Counsel for Property Damage Claimants)

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Elihu Inselbuch, Esquire

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Latham & Watkins

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(Counsel to Official Committee of Equity Holders)

Philip Bentley, Esquire

Kramer Levin Naftalis & Frankel LLP